

**Illinois Department of Revenue
Regulations**

Title 86 Part 160 Section 160.115 Collection Of The Service Use Tax By Servicemen
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TITLE 86: REVENUE

**PART 160
SERVICE USE TAX**

Section 160.115 Collection Of The Service Use Tax By Servicemen

- a) Servicemen who incur and remit Service Occupation Tax to the Department; or servicemen who come within the definition of a "Serviceman maintaining a place of business in this State" (as set out in Section 160.105(f) of this Part and in Section 2 of the Service Use Tax Act) and who have a Service Use Tax collection obligation; or other servicemen who are authorized to voluntarily collect the Service Use Tax, shall collect the tax from users. The Service Use Tax shall be based on the selling price of the tangible personal property transferred incident to the sale of service if stated separately on the invoice from the serviceman. If not stated separately, then the tax will be imposed on 50% of the entire billing from the serviceman. However, the Service Use Tax which is collected by a de minimis serviceman who incurs Service Occupation Tax on his cost price of tangible personal property transferred incident to service, as provided at 86 Ill. Adm. Code 140.109, shall be based upon his cost price of the tangible personal property transferred incident to his sales of service. For purposes of this Part, "cost price" is defined as provided in 86 Ill. Adm. Code 140.201.
- b) Although not required unless requested by the service customer, the Service Use Tax may be separately stated as a distinct item on the service bill (Section 3a of the Act).
- c) If the serviceman collects the Service Use Tax as a separate item, he shall use the tax collection brackets prescribed in the Use Tax rules (86 Ill. Adm. Code Section 150.Table A) with respect to the 6.25% rate when it is impracticable to collect exactly 6.25% of the selling or cost price.

(Source: Amended at 25 Ill. Reg. 5015, effective March 23, 2001)

